



Arizona State Retirement System

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Special Notice

Adjusted ASRS Contribution Rates for Fiscal 2011-12

Questions?

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May 11, 2011

At a special meeting on May 10, 2011, the Arizona State Retirement System Board of Trustees approved contribution rates for the Defined Benefit Plan for fiscal year 2011-12, taking into account adjustments directed by recently passed legislation.

The contribution rates are as follows:

	Fiscal 2011-12 July 1, 2011 – June 30, 2012		
	Retirement Pension & Health Insurance Benefit	Long Term Disability Income Plan	Total
Employee (53%)	11.13%	0.26%	11.39%
Employer (47%)	9.87%	0.23%	10.10%

Pursuant to Arizona Laws 2011, Chapter 26 (Senate Bill 1614), the employee / employer contribution rate split was changed from the historical 50/50 percent split to a 53 percent employee / 47 percent employer split. Thus, the contribution rate for employees and employers is no longer identical.

The legislation modifying the contribution rate split is effective on the 2011 general effective date, July 20, 2011. The legislation, however, directs that the contribution rate split be implemented retroactively to July 1, 2011.

ASRS employers may wish to consult their own legal counsel regarding implementation of the legislation and the new contribution rate split during the transition period, as the ASRS will be able to administratively accept contributions from employers based on the new contribution rate split of 53 percent employee / 47 percent employer, or based on the 50/50 percent split until the legislation effective date of July 20, 2011.

Employers that retain the 50/50 percent split until July 20, 2011 (the general effective date) will need to make retroactive adjustments to reflect the new split for the pay periods within July 1 to July 20.